Covering Iowa Adults

Thoughts to Consider

Total Uninsured Adults in Iowa: Age 19-64: **245,147**
Age 65+: **1,847**

Below 200% FPL: Age 19-64: **124,260**
Age 65+: **749**

Options for coverage:

Current Medicaid Eligibility for Parents goes up to approximately 75% FPL. Medicaid State Plan only provides for coverage of 'parents', not single adults childless couples.

1. Expand eligibility for parents (contemplated by Lewin Report, estimates included)
2. Single adults and childless couples, today, can only be covered through an 1115 waiver. Iowa has an 1115 waiver (IowaCare), however, federal funding is capped.
3. Parent buy-in to CHIP (hawk-i)

National Health Care Reform:

1. Nearly all proposals include a mandatory Medicaid expansion for all adults up to 133% FPL in 2014. Federal match rates proposed range from 80% to 100% in various proposals. Benefit packages include 'benchmark plans' or full Medicaid benefits.
2. Some proposals/amendments include State option to expand earlier (in 2011). However**, in some plans there is a disincentive because early 'expansion' states get lower match rates when the mandate becomes effective.**

IowaCare Network Expansion

IowaCare members currently can only go to Broadlawns (if they live in Polk County) or the University of Iowa Hospitals and Clinics. Covered services only include inpatient/outpatient hospital, physician, and very limited dental and transportation.

Current problems with the program include lack of local access to health care, travel distances, lack of access to certain key services such as prescription drugs, DME, and podiatry, capacity at UIHC/wait times for appointments.

Network expansion options:

- Expand provider network to include 'regional' centers for hospital and physician. Or regional hospitals and selected local providers such as FQHCs.
- Expand to include all Medicaid providers.
- Ensure a care management/medical home strategy to contain costs and ensure coordination of care.

Issues/Barriers:

- Federal funding cap -- We have roughly $25M per year available under the caps to spend. This would take about $9M - $10M in state matching funds.
- Demand may quickly outstrip available resources --Better local access will very likely greatly increase demand for the program beyond the federal funding amount. Creates issue of going to 100% state funds or capping program enrollment or services. That could happen very quickly.
- How will we deal with waiting lists – first come first served? If the waiting list is applied early on, this will preserve the geographical inequities.
- How do we ensure appropriate care/utilization management to ensure we can cover as many as possible within the dollars available?
- How do we ensure no harm to current IowaCare providers?
- What will this mean when/if there is a Medicaid expansion in Health Care Reform?
- Do we expand providers, or benefits (drugs, podiatry, etc.)? Many of these services are being provided at no cost to the State through subsidies paid for by Broadlawns and UIHC -- will new 'expansion' providers also subsidize these

services? If we begin paying new providers for these services, we will likely also have to pay Broadlawns and UIHC.